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Building Strategic Alliances between Cacao Producers and Buyers

Trip Report: November 2005

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CONTENTS

SECTION 1: Purpose and Objectives	3
SECTION 2: Overview and Current Situation of Sector	4
SECTION 3: Producer Groups Assessment.....	10
SECTION 4: Matching Producers and Buyers	16
SECTION 5: Recommended IPRC Follow-up	17
ANNEX A: Groups Deemed Ready to Work with IPRC in Establishing Strategic Alliances with Buyers	19
ANNEX B: Groups in Chiapas and Tabasco	21
ANNEX C: List of Interviews and Contacts.....	24

I. Purpose and Objectives

After an initial Cacao Diagnostic, IPRC moved ahead with the identification of players to form a strategic producer – buyer alliance in the cacao sector. On Oct. 13 –14, Chemonics representatives and the USAID CTO attended the World Cocoa Foundation annual meeting in Washington, D.C. During this meeting they arranged interviews with several specialty cacao buyers who had expressed some interest in high quality Mexican Cacao. These meetings confirmed the interest of the buyers and suggested that further investigation on the supply side in Mexico was warranted. To this end, IPRC contracted a consultant with broad knowledge of the conditions in the cacao producing areas of Mexico to assess the potential of specific Mexican producer groups to respond to the needs of these buyers.

With the purpose of advancing efforts to develop a strategic alliance in the cacao sector linking producers and buyers of specialty Mexican cacao, the consultant traveled for a period of ten days (October 26 to November 6) to Tabasco and Chiapas, to solidify contacts initiated during the initial Cacao Diagnostic elaborated by IPRC. These contacts with producer groups helped build momentum and interest in the possibility of accessing new markets and permitted the consultant to evaluate the potential of these groups to produce and sell to the specialty market. Most importantly, the consultant collected cacao samples to be delivered to the buyers who showed interest during the WCF interviews. The consultant collected samples from 7 producer groups, 4 from Chiapas and the remaining 3 from Tabasco. Based on the consultant's evaluation, samples from the most promising groups will be sent to prospective buyers. This matching of producer groups with buyers is a first step in the preparation for an early 2006 visit by the buyers to the cacao producing areas of Mexico. Producers who could not immediately provide samples were asked to forward them to IPRC as soon as they were available. The samples will permit prospective buyers to analyze this raw material and help determine their interest in pursuing more information with a visit to the area.

II. Overview and Current Situation of Sector

Dummy text. Dummy text. Dummy text. Talk n sharp contrast to today's economic environment, 35 years ago Nicaragua enjoyed one of the most dynamic economies in Latin America and one of the region's most productive, export-oriented agricultural sectors. Due to the ensuing civil strife, altered political system, and inconsistent economic policies, growth rates have declined notably. Since 1990, however, the Government of Nicaragua (GON) has strived to promote a more coherent economic reform matrix, including (a) liberalization of the foreign exchange market, (b) rationalization of tax and tariff rates, (c) privatization, (d) establishment of investment and export incentives, (e) creation of a more stable macroeconomic environment and (f) adherence to a private-sector led, market-based economic growth strategy. After a decade of turbulent changes, numerous "first generation" Structural Adjustment Lending (SAL) recommendations have generally become institutionalized in Nicaragua (World Bank 2003), setting the stage for future growth.

Production Figures

There is some disagreement with the official production figures reported by INEGI, which cite that Mexico produces around 48,000 tons. For instance, from 1998 to 2001, Barry-Callebaut (Belgium) www.barry-callebaut.com started operating in Chiapas looking to purchase 15,000 tons. According to their general manager in the region, they never quite made this objective. The maximum they were able to purchase was about 9,000 tons. In his opinion, production figures may be over-stated by 5 to 6 thousand tons. For its part, Nestlé also expressed that when they attempt to reconcile the figures, they do not always round up to the INEGI figure. Also, the hurricane damage in Tapachula may have considerable impact on the production volumes. This will be a topic of discussion in the Sistema Producto forum.

Key Differences between Tabasco's and Chiapas' Cacao Sector

This section intends to outline the key differences, as it relates to IPRC efforts to work in the sector, between the cacao sector in Chiapas and Tabasco. These differences refer to the organoleptic qualities of the bean, the organizational structure of associations, the role of the government, and the local associations' strength. These are summarized in figure 1 below.

Cacao production in Mexico, as in many parts of the world, takes place on a small-scale units in areas averaging 1.5 hectares. In Tabasco, the relative bigger-sized plots planted with cacao are limited to 13 farms with at least 20 hectares. A complete list of these producers was obtained, and most of them contacted. However, these producers, which are wealthy families, were either not interested in making additional efforts to commercialize their cacao (they sell their cacao to the "coyotes"), or they utilize their cacao production for further processing into chocolate, cocoa butter, liquor, etc. Industry sources also revealed that these plantations are relatively in worse shape and are older than the average, with a yield well below the national average of 450 kilograms per ha. A similar search could not be completed in Chiapas, since a GIS roster of producers is still not in place. Nevertheless, interviewees (see Annex C) could not point to any single producer owning more than 20 hectares in the North of Chiapas with commercial quantities of cacao production.

Thus, local associations will be the unit with which IPRC can work, unless IPRC is considering building a new association. Small-scale producers are organized in 26 associations in Tabasco and 47 in Chiapas. In Tabasco, the Union Nacional de Productores de Cacao (UNPC) has a major influence among the 26 associations (in fact, these 26 associations are an integral part of the Union), complicating the selection of producer groups that the project could work with (Union associations are expected to market their entire crop through the Union). Two of them are openly independent, and there are a few individuals that have formed dissident groups. However, these groups are relatively new, do not have an established reputation, and lack financial resources to conduct efficient

operations. The “loyal” members have succeeded only with the support (read “subsidies” via price supported by government) of the Union and government. ¹

A direct explanation of the government’s involvement and the Union’s influence in Tabasco is that cacao is a “social sector” and therefore important sector. It is estimated that it constitutes a direct source of income for 35,000 producers and to 197,100 persons indirectly, without including temporary jobs during the heavy production months. It accounts for nearly 20% of Tabasco’s Agricultural GDP. The weight of the sector in Chiapas in terms of GDP, source of income or employment is far below these figures. In Chiapas, cacao is just one of many other crops.

Thus, in the case of Chiapas, there is no influential umbrella organization of producers as in Tabasco, and the interest and influence of the government is much less. Additionally, producer associations (for better or for worse) are weaker and not as consolidated as in Tabasco.

Finally, industry sources cite that the organoleptic qualities of the grain are superior in Chiapas than in Tabasco. Cocoa beans in Chiapas, according to both producers and buyers, are bigger and have a greater content of vegetable fat. While 1,200 cacao beans are needed to make a kilo in Tabasco, only 900 hundred are needed in Chiapas.

Figure 1. Key differences of the sector in Tabasco and Chiapas

Tabasco	Chiapas
<ul style="list-style-type: none"> • 75% of national production • 20% of Ag GDP; income to nearly 197,000. • Influential UNPC and government • “Stronger” associations 	<ul style="list-style-type: none"> • 24% of national production • One of many other crops • Weaker associations • Less government support • Superior organoleptic qualities of the bean

Post-Harvest Management and Elements of Quality

It is known that the organoleptic characteristics of Mexican cacaos allow its producers to obtain a product with good acceptance in the international market. Some producers have exported successfully to international markets, mainly the EU, or are doing so indirectly through intermediaries. Nevertheless, poor post-harvest management may result in a product of doubtful quality that reduces its potential international competitiveness. As IPRC’s initial cacao sector diagnosis indicated, the international norm for a quality product calls for cacao beans to be fermented appropriately, dried until achieving a humidity level of 7%, and packed in yute sacks to avoid deterioration during shipment and storage.

In Tabasco and North of Chiapas, most producer associations ferment their cocoa beans.² Additionally, all producer groups interviewed are pretty much aware or at least have a notion that the best way of processing cacao is spreading the beans in patios and allowing the sun to dry them. However, from October to March, humidity and frequent rains in the region make this practice nearly impossible. During April, May and June, sun drying is possible, and many associations turn to this technique. Nevertheless, the limited patio infrastructure and the need to process large volumes of cacao make this superior practice difficult to implement. According to most producers, they apply a combined process whenever possible- one or two days they spread their cacao in patios for sun

¹ The role of the Union is discussed in greater detail below.

² It is in the Soconusco area in Chiapas where post-harvest processing consists in simply washing cacao, what is known as “cacao lavado”. This would constitute poor quality as defined by the international market, but it is still finds a place in the national market. This area was not visited due to the emergencies created by the hurricanes.

drying (weather and infrastructure permitting), and they finish the drying process in samoas. (These are the traditional gas- or diesel-fueled drying tables most widely used in Mexico.) Additionally, most associations lack a laboratory to check specifications, and rely on “ojimetro” (i.e. educated guess by the processor) to obtain the prescribed 7-8% humidity.

Other elements of quality include the lack in many associations of grain selectors. Finally, many associations do not stress quality at harvest- i.e. ensuring that all raw cacao received at the plant was cut only when the fruit was mature and that its processing begins within 7 hours of being harvested.

Tabasco's Modernization Program

Tabasco is implementing a complete modernization program to the cacao production process. Financially speaking, the program is being supported by the State Government, the Federal Government through Alianza para el Campo (PAPIR) and SEDESOL, and the producer associations themselves. The project involves improvements in the way cacao is received, fermented, dried, and stored. It also envisions improving storage at the Union facilities, and improvements in the facilities of INCATABSA (Industrializadora de Cacao de Tabasco, S.A.), which is owned by the Union system and further processes cacao into industrial products (liquor, butter, powder, chocolate).

The heart of the modernization program is the introduction of a “secadora de flujo” or airflow drier. It is hoped that the “secadora de flujo” would reduce economic losses that invariably occur when cacao is sun-dried, “secado al sol.” The new system will avoid dust, insects and other animals that contaminate the product when the cacao is dried on the samoa or sun-dried. It is expected to reduce labor requirements and physical damage since the cacao beans will no longer need to be spread out on patios and constantly rotated manually when they are sun dried. The heat of the new drier will be automatically regulated by digital controls. The drier is designed to yield a cacao bean with 7 % humidity, as required by the international market, and a more homogenous product (both within a single producer association, as well as among associations, since they will be using the same processes). Improvements are also envisioned in how cacao is received and fermented. A dramatic improvement in quality, cleanliness, and product homogeneity is expected. Additionally, the new process will reduce the time required, which is currently 8-9 days, to only 5, and will reduce the fuel requirements.

The project is supposed to include all processing plants or “fermentadoras”, although not all of them are considering investments in all the upgrades. In some of them, only a modified samoa is envisioned, and there is no guarantee that all the project will be completed.

Eleven associations are included in the first phase, which should be completed by the end of 2006. These associations were selected due to their production capacity, number of members, strength of the organization, advances in the organic transition, and their financial strength. The first two associations that will have the new system in place will be Amado Gomez, and Aldama. Most of the infrastructure is in place in these two, and they estimate that they will start fermenting and drying cacao with this new process by December-January of 2005/2006.

The whole project represents a total investment of \$600 million pesos (a little under 6 million USD). The first phase, currently on its way, is costing approximately \$150 million pesos (a little under 1.5 million USD).

While this new technique of fermenting and drying beans may indeed improve quality, *at least one buyer, Nestle, expressed its doubt* of whether this is the best possible alternative. In their opinion, the “secadora de flujo” processing technique is still very costly, and does not take advantage of a free resource, which is solar energy.

Role and Status of the UNPC in Tabasco

From 1973 until 1989, storing cacao was, by law, the exclusive faculty of the Unión Nacional de Productores de Cacao (UNPC), which provided the national market with the products obtained from the cacao bean. Bad management and handling practices, loss of credibility, lack of resources, along with the disappearance of the government owned Comisión Nacional de Cacao (CONADECA)³, weakened the UNPC to the point at which two years ago, it only purchased and stored 30% of all cacao production in the state.

At the heart of the loss of credibility of the Union stood the practice of paying for cacao with an IOU instead of cash. Due to the producers' need of cash, a secondary market of sorts developed for these IOUs, where even people from the same Union purchased the IOUs for a fraction of their value. Likewise, the UNPC has failed for many years to distribute a dividend ("remanente" from profits made from commercializing cacao) to its associations as it had done in the past. The UNPC has also failed to adapt to the new circumstances, and generally has not supported the conversion to organic efforts. Some producers accuse it of merely making commercial deals with two or three buyers. Even among the most pro-Union producer groups, a common opinion was that the Union could do a much better role in promoting Tabasco's cacao internationally. Indeed, recently the Union was supposed to attend promotion efforts both inside Mexico and abroad (the latter are described below), but decided not to attend the events at the last minute.

Even with all of the above, the UNPC still has a great deal of influence and is seen by many as playing a useful role in defending the price for cacao. Through its negotiations with the big buyers, it still sets the cacao price, and in the last year, it increased the amount of cacao it was able to purchase and store, from 30% to just below 50%. This was possible due to the financial support it has been receiving from the government to clear its debt and gain access to credit to purchase cacao. The UNPC is expected to maintain its economic ability to store large quantities of cacao at least for the next couple of years.

As discussed, the 26 local associations in Tabasco are an integral part of the (UNPC), and with the exception of two that have openly declared that they will deal directly with buyers, the remaining ones still, at least on a formal basis, sell their cacao through the system. The nearly 50% of cacao in Tabasco that does not go through the UNPC is produced by the few particulars with bigger sized plots, the 2 independent associations, some weak recently formed dissident groups, and through "below the water" deals of some of the 26 associations (or individuals belonging to those associations).

It is the opinion of this consultant that associations that want independence from the UNPC, but still have not done any formal and open deals outside of the system, do not constitute ready candidates for IPRC's program, as they may still be pressured to give in to the system. For the purpose of promoting commercial alliances, this situation is a major challenge to select producer groups that the project could work with.

Promotion and Certification Efforts in Tabasco

Government authorities interviewed admitted that there is no formal international promotion program for cacao, although they have been supporting commercial missions to Europe and the US (main agencies providing the support are SEDET (Secretaría de Desarrollo Económico y de Turismo de Tabasco) through Fundación Tabasco and SEDAFOPE, Secretaría de Desarrollo Forestal y Pesca de Tabasco) as well as assisting financially organic and Fair Trade certification processes.

Four producer associations in Tabasco (Amado Gomez, Huimanguillo, Aldama, and Comalcalco No. 1) have begun a process to obtain Fair Trade certification. If a visit scheduled for November of 2005

³ This government body had the faculty of establishing prices, determining volumes, as well as import permits and quotas.

is successful, these producers can promote their cacao under this label. Prompted by FLO (Fair Trade Labeling Organization), the fair trade certifier, these organizations participated in the NY Fancy Food Show this year, where Fair Trade buyers participate. The other international event attended by producer groups was “Biofach”, the largest fair for organic products, which takes place annually in Nuremberg.

According to government officials as well as the producers that participated, the main interest of buyers in the events attended was not cacao beans, but intermediate goods, such as cocoa paste or butter, since they work transforming these intermediate products into consumer goods. In the producer’s opinion, the displays put together for the show were acceptable, but they could do much more to improve their image. BANCOMEXT facilitated contacts in Switzerland, Paris, and Germany, which were also part of the mission to Europe.

Visits to the Fancy Food Show in San Francisco this January(2006), as well as this year’s BIOFACH in Nuremberg (February 2006) are programmed.

Moniliasis

Moniliasis is already present in the north of Chiapas, and has affected many producers, and concern exists that it can quickly spread to Tabasco. However, officials, a few buyers, and producers expressed that a clear strategy is still not in place, as options are still being evaluated. No coordination between the Chiapas and Tabasco state governments was evident. What follows are brief descriptions of actions taking place during the visit.

Chiapas

Some official figures indicate that Monilia has infected about 10% of the hectares in the north of Chiapas, although many producers question this and predict that many more cases will be presenting themselves sooner or later. One of the producers visited in Chiapas, Granos Criollos de Sunuapa, forecasted that its regular production level of 170 tons would at least halve this year due to its effects.

Support packages of about \$2400 pesos were offered per producer, intended to help purchase fertilizer, scissors, and other equipment. Some questioned the effectiveness of this scheme, since most of the support is supposed to be used in purchasing fertilizer. But this invites corruption, permitting some farmers to obtain false purchase receipts and claim the money which would be used for other things. A Colombian expert was brought in to give instruction on the management of Monilia-affected plantation.

Tabasco

The state government of Tabasco seemed relatively calm about the Monilia threat, and trusted that the increased attention that growers are giving to the crop as a result of the transition to organic production will reduce the potential damaging effects. A pilot program in the municipality of Huimanguillo covering 1343 hectares, which has a direct border with Chiapas, is being established. The program is being implemented in the framework of the organic conversion efforts, and includes eliminating the infected fruit and severe and frequent prunes. This program will be extended to other areas if it is successful.

Chocolate from Organic Cacao

One of the consulting firms that pioneered organic production in Tabasco, recently organized “Mercados Alternativos y Solidarios para Productos del Campo”, which took over the production of chocolate from organic cacao. This is the group that produces the chocolate for Aires del Campo.

The enterprise seems to be growing steadily. Through the Aires del Campo connection, they are preparing an initial shipment to Whole Foods Market. The product will be sold in the California stores of this chain. The same product (“bolitas” de chocolate to be mixed with milk) is also sold under different labels and trademarks in local and regional supermarkets, and possibly in Madrid’s El Corte Inglés, the famous Spain department store.

Another initiative of the group is to create a “Barra de Amaranto con Chocolate”, and they are hoping to obtain the necessary resources to diversify their production to cocoa powder form organics, and extend the chocolate line beyond the “bolitas”. This group is supplied with cacao by Orgánicos de la Chontalpa (a full review of this producer group is discussed in the next section) but still does not pay an organic premium. The enterprise currently purchases about 10 tons of cacao per year.

III. Producer Groups Assessment

Generally speaking, producer associations both in Chiapas and Tabasco are weak, lacking management skills, credibility and transparency. Within this general context, though, and as requested by the Terms of Reference for this consultancy, the consultant visited 12 producer groups, with the purpose of identifying additional groups to participate in IPRC's strategic alliance building program, and qualifying their capabilities. The consultant spent at least two hours interviewing the leadership of each of the following producer groups, and in most cases visited their physical installations and infrastructure.

The interviews with the producer groups were geared towards:

1. assessing their interest in looking for more stable markets and their disposition to do things differently,
2. their experience in exporting or a commercial alliance (if any);
3. their post-harvest management and processing procedure;
4. certifications (if any);
5. production capabilities (volumes);
6. financial and organizational independence and strength (the former being key, since credit availability is essential to pay producers on delivery); and
7. cacao varieties available.

Regarding varieties, as indicated in the initial cacao diagnostic carried out by IPRC, most producer groups have one or several varieties classified under Trinitarios (the mix of Criollo and Forastero, **characteristic of Mexican cacao, which has an “intermediate” quality**). Only in very rare instances, producers have enough of a Criollo type of cacao to commercialize, and when they do so, the volumes available are very small, usually a ton or less. ⁴

The producer groups described below are classified in three tiers according to the assessment conducted. Tier 1 contains those groups that were deemed interested and relatively more capable of establishing commercial alliances with national or international buyers. A matrix showing the main characteristics of these groups is included in Annex A. Downgraded to Tier 2 were two associations in Tabasco that in general have the characteristics of those included in Tier 1, with the exception that they have not concluded any formal commercial transaction outside of the UNPC's system yet nor declared their independence from it. In Tier 3, other groups that are not as consolidated or strong as the others, or that have a relative weakness as described.

TIER 1

1. Asociación Agrícola Local de Productores de Cacao de Huimanguillo, Tabasco

This producers' association is without a doubt the strongest in Tabasco, and probably of the region as a whole. It was established in 1962, and currently has just under 1,000 full members and 2,000 “aportadores”. Taken together, they process cacao from over 3,000 hectares, with their current production capacity estimated at 1,500 tons. Although affiliated growers have several varieties of cacao, they do not make selection of varieties since most volumes are a variety of Local Trinitario. They have begun arrangements to receive Fair Trade certification in 2004, and expect to complete the process by the end of 2005. 1,000 hectares have been certified organic and 2000 are in transition.

⁴ As the Cacao Diagnostic indicates, they are also several initiatives to rescue Criollo types.

This association and the UNPC have agreed to co-exist, an agreement that has allowed it to do commercial transactions directly. In their annual report, the association has stipulated as its goals to produce quality beans and make incursions in the international market. Mr. Elias, its current president, has lead the organization since 1997, and under his leadership, the association has gained financial strength and access to commercial bank credit. Elections to the directive committee are conducted every two years. Congruent with its goals, the Association has participated in the commercial missions and international fairs described in the previous section, the “Biofach” in Nuremberg and the Fancy Food Show in NY. Some of their cacao has been exported indirectly through AMSA, Barry-Callebaut, etc.

Huimanguillo’s association is included in the first phase of the Tabasco’s modernization program, and the new processing plant, including the “secadora de flujo” is scheduled to be operational by December of 2006. It will be the largest in Latin America with a processing capacity of 4,000 tons (8% + when compared to Mexico’s total production). The municipality of Huimanguillo has an additional advantage: the cacao trees are younger than elsewhere, with an average of 18-20 years of age, allowing an average production of 500-700 kg/hectare, which well above the national average of 450 kg/hectare.

The association’s strength has earned them financial support from SEDESOL, which committed 5 million pesos for 2006 to the association’s project of diversifying their production into intermediate products, such as cocoa paste and butter. Additionally, BANAMEX’s social fund provided 9 computers and satellite equipment to provide PC and internet training to the members and their children, and 2 others to facilitate accounting, client and suppliers registries, and other databases.

It should be noted that Mr. Elias, manager of the Association, had the sample ready, adequately packed. He also provided a full annual report of the Association activities to us to demonstrate that his organization is serious and transparent.

2. Granos Criollos de Sunuapa, Sunuapa, Chiapas

The association was constituted in 1994, and it is made up of 172 members, of which 123 already have organic certification; 40 are in their second year, 5 in their first, and the remaining 4 are starting the three-year process. Together, they harvest a total area is 577.8 hectares, 428.8 certified organic and the rest in transition. They regularly have available between 150-170 tons of dry, fermented cacao, but this year they forecast only half that volume due to the presence of Monilia. They ferment and dry their Trinitario type cacao in Samoas.

This group established an “alliance” during the heavy presence of Barry-Callebaut in Chiapas. This buyer chose this organization to start organic efforts due to their transparency, and provided financial support to equip the association with a Samoa drier. Barring any recent unrecorded transactions, they have been the only organization in the region that has been able to sell , through Barry-Callebaut, organic cacao in Europe at a 10% premium above the Mexican price. When Barry-Callebaut pulled out, the Subsecretaria de Comercializacion at Chiapas’ Secretaria de Desarrollo Rural (Rural Development Ministry) was in charge of continuing the promotion efforts but with no success in the past four years. In the opinion of a few experts, this is due mainly to the low priority cacao receives from Chiapas authorities, and also to the limited abilities of the people running the institution.

It should be noted that this group provided their organic certificate for the consultant’s review, neatly packed and labeled the samples requested, and the fermenting plant looked cleaner in comparison to most.

3. Asociación Local Agrícola de Productores de Río Seco (Cooperativa No. 13), Cunduacán, Tabasco

Río Seco's Cooperativa No. 13 was founded in 1961, and the first to emerge in the municipality of Cunduacán, Tabasco. The group has 800 active members and 550 "aportadores". The cacao comes from 3,000 hectares in 29 communities of Cunduacán, Comalcalco, and Cárdenas (about one-third of them are in transition to organic). The main variety is Trinitario (Guayaquil, Calabacillo, Ceylan); they have very small quantities of Criollo. They also purchase some "cacao en baba" in Sunuapa Chiapas, and process it in their plant. Their annual production capacity is estimated 1,500 tons. They sell cacao "lavado" as well as fermentado – depending upon client's preference.

This group broke formal ties with the UNPC three years ago and now operates independently. Its current president used to be Treasurer of the Union, and opted for independence because he did not concur with the UNPC's rigidities and its leadership opposition to the organic conversion project.

The group has financial strength and access to commercial credit, allowing them to run better operations than most associations. They have a full-time accountant and 2 computers, as well as 7 vehicles. It should be noted, though, that this group is not included in the first phase of Tabasco's modernization system, but could start in 2007.

While they have never exported directly, some of their production has been indirectly exported through IMCO and ED&F MAN. Although not a formal alliance, this group regularly closes contracts per harvest with several buyers, which advance 20-30% of the value of an agreed upon amount of cacao tons per each harvest period.

4. Arroyo "El Afiladero" SPR, Pichucalco, Chiapas

Constituted in 1998, the producer group is composed of 6 family members, which together have about 45 hectares cultivated with cacao. The group is interested in producing premium cacaos, and correctly classifying varieties. They keep track of about 20 varieties in their production, most of them of Local Trinitario but also Criollo, including 4 hectares of the Blanco Marfil Variety (cacao de almendra blanca), which has been selling for double the NY BOT price. Some consider its "fermentadora" as the best of the region (north of Chiapas). Last year they produced 8 tons of fermented cacao, but estimate that in a year or so they can bring up this level up to 25-30 tons, as their re-plantation efforts yield fruit. They are in their final year to obtain organic certification.

This was one of the few groups that emphasized during the interview the quality elements of harvesting only when the fruit is mature, and promptly starting fermentation (maximum within 7 hrs from harvest). Their processing activities depend on the weather and the cacao variety, as they make an effort to optimize this. They dry their cacao to the sun when possible, or use Samois when needed.

Recently, they have been interested in acquiring modern equipment (designed in Italy), which allows cacao to be sun-dried all year round, regardless of weather conditions. This equipment looks like a greenhouse, and according to the group, a few producers in the Dominican Republic have successfully used it. They estimate that acquiring such equipment will cost about 100,000 USD.

European and US buyers have visited the group recently and have expressed interest in purchasing from them. Four months ago they sent samples to Barcelona and 2 months ago to Colorado Springs. The interested US buyer is Devries chocolate (for contacts, please refer to the annex). They are still waiting for feedback. In 2002, they were present at the Nuremberg "Biofach" tradeshow, a visit paid entirely from their own resources.

This is probably the best-positioned organization to produce for niche markets with the highest quality standards, and at the same time able to generate decent volumes.

The only support they have ever received, according to its president, came from AMSA, when a about fifteen years ago Juan Iturrialde offered financial assistance to complete the ceiling of their plant.

TIER 2

Asociación Agrícola Local de Productores de Cacao No. 22- “Amado Gómez, Cunduacán, Tabasco

This association was the first to ferment cacao in Tabasco, and was originally established by German immigrants that employed rotating driers for that purpose. The cacao from this association gained national and international recognition for its quality (excellent fermentation process and large-sized grains). When the Germans left, the association got in financial trouble and adopted a different technology.

Today, the association has 468 active members and 200+ “aportadores” located in the municipalities of Cunduacán, Comalcalco, and Cárdenas, that harvest from 1,617 hectares. Their annual production is estimated to be around 2,300 tons of dry, fermented local Trinitario type cacao. They dry to the sun when possible and as much as the patio infrastructure allows, and complement the process in Samoas. Its president claimed that the association applies quality control when purchasing “cacao en baba” and that they encourage their members to bring their cacao free of contaminants.

Amado Gomez has participated in the commercial missions described in Section 1 of this report, and has taken steps to obtain Fair Trade certification, which could be completed by the end of this year. Additionally, they will be the first association to have their processing plant modernized with the “secadora de flujo” and other elements, that should be up and running by December of 2005.

Officially, they report not selling outside the Union System, but they have realized that they must break with the system if they want to take advantage of the Fair Trade opportunity and sell outside the system. FLO’s staff has told them so. The leadership expressed interest in working with IPRC and working towards meeting client requirements, and said they are ready to make outside deals. They are actively seeking commercial credit outside the Union System.

Asociación Local de Productores de Cacao No. 8 “Aldama”, Comalcalco, Tabasco

Founded in 1961, this association has increased their strength since IPRC made initial contact with them, as it has increased its membership from 484 to 693, and has more than 1,200 aportadores. Its members harvest from more than 2,000 hectares in the municipality of Comalcalco, Tabasco, with an estimated production capacity of 700 tons of dried, fermented Trinitario type cacao.

They have access to commercial credit, although they receive financial support from the Union as well. This Association has made good progress towards organic certification. Among its membership, 40% have completed the process and are certified, 30% are in the second year (of three), and 30% in year one. They are expecting to be certified by FLO (Fair Trade Labeling Organization) by the end of this year. Along with Amado Gomez, this organization should have in operation the new processing equipment envisioned in Tabasco’s modernization program by the end of this year.

They have never officially sold outside the Union System, although they realize that things will need to change if they want to commercialize their cacao with Fair Trade buyers.

TIER 3

Integradora Orgánicos de la Chontalpa, S.A. de C.V.

This group was legally constituted in November 2004. It arises from small groups of cacao producers that started to work since 1996 in producing organic cacao. The purpose of the group is to consolidate important volumes of cacao to gain the ability to enter into commercial contracts nationally and internationally. Eleven independent organizations and 4 technical consulting firms participate in the “integradora” (i.e. “integration scheme”), which are located in Comalcalco, Cárdenas, Cunduacán and Villahermosa. The Integradora provides services, including purchasing inputs, extension services, and commercializing the product. The organizations do not sell to the Union, preferring to sell to local coyotes (private individuals and other intermediaries) because they pay at the moment of the transaction, even if they offer relatively unattractive prices. Each organization names a representative, and its board of directors is renewed every three years.

Together, the group aims to provide services and commercialize product from a total of approximately 3,000 hectares. The cacao varieties are Trinitario (Guayaquil, Ceilan) and Criollo. Nine of the eleven organizations have processing plants (beneficiadoras y fermentadoras). They produce both cacao lavado and cacao fermentado, dried in patios and with artificial heat. Details of each organization in the group are provided in Annex B.

During the interview, they described some interesting and different processes in some of the groups, such as fermenting the cacao bean inside the “mazorca”; though this has not been tested in markets other than the local one.

It must be noted, though, that the Integradora does not own any infrastructure itself. BIMBO has expressed interest in purchasing from the group, probably due to their independence from the Union, however, BIMBO representatives have expressed concern that at every meeting they have they only see the consultants and not the producers. The fear is that the consulting firms could take control of the product.

Because of the lack of a positive track record (the group is very new) and the concerns expressed in the last paragraph, the consultant is unable to place this group in the list of producers ready to work with IPRC to establish alliances with international or national buyers. Simply put, international buyers will like to actually see and talk with the producers.

La Crimea SPR de RI, Pichucalco, Chiapas

This association was included in the materials distributed at the WCF reunion in Washington DC. However, the consultant learned during his visit that their fermentation process has a critical weakness- the Samoa driers use diesel, which shows up negatively in lab tests and probably limits the ability of this association to commercialize internationally. It is estimated that an investment of more than 100,000 USD is needed to adapt their Samoas to use gas instead of diesel.

Integradora de Cacao y Productos Ecológicos de la Zona Norte de Chiapas, S.A. de C.V. (INCAPRECH)

This “integradora” of 12 producer groups was constituted in 2003, with financial support from FIRA and FIRCO. The idea is similar to that of Orgánicos de la Chontalpa- i.e to consolidate important volumes of cacao to gain the ability to enter into commercial contracts nationally and internationally. Additionally, they envisioned processing cacao into industrial intermediate products.

The group came close to doing just that. During the group's participation in Nuremberg's "Biofach", they established contact with Ing. Carvajal of CAFIESA International, a Spanish cacao purchaser. A deal was worked out for CAFIESA to provide financial and technical support to the producers. Nevertheless, CAFIESA pulled out of the deal. It is said that CAFIESA did not see enough the government support for the investment; lacked trust in some of INCAPRECH directives; and sensed that INCAPRECH's producer groups had a weak commitment to the organization.

Indeed, INCAPRECH has many problems with the member producer groups actually delivering the cacao to be commercialized through this channel. Its leader, Abasalón Gómez, has filed his resignation three times but it has not been accepted.

La Victoria SPR, Ostuacán, Chiapas

This producer group produces about 40 tons of fermented, samoa-dried, local Trinitario cacao per year. It has struck a deal to pay a slight premium to receive better quality cacao from a group of 29 producers called "Productores Orgánicos". The premium is given not based on organic production, but because the better grain delivered reduces waste. The leader is a bit problematic; he was one of the responsible persons of scaring away CAFIESA (see INCAPRECH above).

Asociación Local Agrícola de Productores de Cacao No. 32-"Benito Juárez", Jalpa de Mendez, Tabasco

The group has 312 members and 300 aportadores(non-member sellers), obtaining cacao from around 700 hectares (58% of them in their third year of the organic transition). Formal commercial transactions are done through the Union; they have never done formal direct deals outside the Union system. They expect to have the new equipment envisioned in the modernization program sometime in 2006.

The association does not have access to commercial credit. They have been financing themselves through loans granted by individuals, but they have paid all of the producers. They do realize that to sell organic they need good connections with the market and this probably means dealing directly with the buyer and not through the Union.

Asociación Agrícola de Productores de Cacao No. 19- "Libertad" Cunduacán, Tabasco

The organization, constituted in 1956, is relatively weak compared to others visited, in terms of infrastructure, as well as their business skills and vision. They ferment cacao in an 8-day process, dried in gas-powered Samoas. The association has 355 members, plus 1645 aportadores, which harvest from 2000 hectares. Its cacao production has fluctuated between 500-800 tons of dried, fermented beans. The board of directors is renewed every 2 years, and the association publishes an annual report. They have been conducting efforts to make the transition to organic, however, they did not know which organic certificate was that they were in process of obtaining (EU or US), and even had trouble giving the address of the certifying organization. The plant appeared in very poor conditions, and the equipment very old. This producer group should have the new "secadora de flujo"and related equipment by the end of next year.

They don't have access to commercial credit yet, although they are debt clear now. They have not sold openly outside of the Union system, although they have expressed curiosity at the possibility. The president himself was fixing fermenting boxes when I arrived.

IV. Matching Producers and Buyers

In general, a protected market such as the Mexican, in which a 15% tariff is assessed combined with import permits and quotas, does not bode well for the establishment of alliances. Producers know that the import market is not open; though, they know they have this leverage when negotiating prices and other commercial transactions. Indeed, the sector has been plagued for the last couple of decades with producers unfulfilling contracts and obligations. Further, the organic transition of many producers may have created wrong expectations about the size of the market for this type of product.

Major Buyers: Nestle and Bimbo

The big national buyers have responded by developing or purchasing intermediaries. Indeed, Nestlé strengthen ties with La Serrana and IMCO. Working through them guarantees Nestlé a supply of the needed volumes; selection based on quality; storage; and financing. For its part, BIMBO decided that it did not want to deal with the UNPC, and wished to develop a reliable supplier of intermediate products, such as “pasta” and “manteca”. No producer group was ready to cater to these needs, so BIMBO decided to acquire the chocolatera LA CORONA.

Thus, the big national producers, such as Bimbo and Nestle, have expressed and/or demonstrated interest in establishing alliances with producers that are willing to produce according to their needs and quality standards. Quality is defined by clients’ needs, it is not a supply-determined concept. During an interview, Nestlé told IPRC representatives that they were willing to purchase on quality. When asked to define quality, the only criterion offered was the size (weight) of the cacao bean. IPRC assistance could play an important role in achieving larger beans. Nestlé indicated that a good volume to establish a “pilot” arrangement with a producer group would be between 1,000-1,500 tons (about 10% of Nestle’s annual cacao purchases). **From the groups identified in the section above, a good match could be Río Seco Asociación Local Agrícola de Productores de Río Seco No. 13, or Huimanguillo. The pilot could be arranged with or without one of Nestlé’s intermediaries.**

For its part, even though BIMBO purchased LA CORONA, industry sources indicate that they are still talking to producers looking for ways to establish improved, mutually beneficial supply arrangements. Some of the elements of a better arrangement involve risk reduction and the use of hedging (coberturas). During the time of the consultancy, Gerardo Estrada Romo and Javier Martinez, purchasing executives at BIMBO (contacts are in the annex) were talking to producers such as Huimanguillo, Granos Criollos de Sunuapa, e Integradora Orgánicos de la Chontalpa.

Internationally, Chemonics personnel and USAID’s CTO initiated contact with Corigins (US), Kraft (Germany), Starbucks (US), Cacao Real (Venezuela), Guittard Chocolate (California), Touton (France), Dagoba (Oregon), Nspired (US), Scharffen Berger (US), and Blommers. Apparently, these buyers were not attracted by Fair Trade or Organic per se, but were looking for fine cacaos. **A good fit for this type of buyers could be Arroyo el Afiladero, which has, albeit in small quantities, different type of cacaos, including the premium Criollo de Almendra Blanca.** It should also be noted that some of these buyers could indeed be interested in the Mexican Trinitario (a cacao of intermediate quality). Sending samples for feedback seems a very appropriate way to generate their interest in establishing alliances with Mexican producers.

V. Recommended IPRC Follow-up

Near-term

For immediate follow-up to this consultancy, the following actions are recommended:

- **Send the samples** of the 7 groups collected to prospective buyers for a lab analysis, and return the results to the producer groups providing as well any comments on the buyer side. This **feedback could prove useful** to them regardless of buyer interest.
- The new cacao processing plants (including the “secadora de flujo”) will be operational in a couple of months at Amado Gómez and Aldama associations. The project could request **samples from them and send them to the buyers** to assess their interest and opinion on the new fermenting and drying process. Eleven associations will have the same processing plant by the end of 2006. If buyers show interest and their reaction is positive, IPRC could proceed to **foster linkages and alliances with those independent groups that will have the upgraded plant**, such as Huimanguillo.
- Several of the groups assessed under this consultancy have initiated contacts with buyers. Specifically, Arroyo el Afiladero sent samples to Devries chocolate, and BIMBO has been talking to Huimanguillo, Orgánicos de la Chontalpa, and Granos Criollos de Sunuapa. The project could **contact these buyers to learn more about the prospects of establishing alliances**, and, as appropriate, facilitate the linkages or learn more about the obstacles (contacts in Annex C).
- The Undersecretary for Economic Development in Tabasco, **Mario de la Cruz Sarabia** (contacts in Annex C), expressed interest in the project and in forging close collaboration with USAID. **He could be contacted to explore possible joint initiatives**. Additionally, he offered **government collaboration** as needed if the project is able to interest buyers in visiting the area.
- Continue conversations with **Nestlé** about their interest in **working with an organization that could provide 1,000 tons of cacao meeting their quality standards and needs**. IPRC could suggest one of the recommended groups in this report, or ask Nestlé to reveal if they have a candidate organization in mind.
- In the eventuality that the samples generate enough interest from buyers to consider a trip to the region, **the buyers could follow the following 3-day itinerary:**

Sample Itinerary for Prospective Buyers

DAY 1: Travel from origin to Villahermosa, Tabasco.

DAY 2: Visit Arroyo el Afiladero (Pichucalco, Chiapas; 1-1.5 hr. trip from Villahermosa) in the morning. Lunch in Pichucalco. Continue afterwards to Sunuapa, Chiapas (1 hr. from Pichucalco). Return to Villahermosa.

DAY 3: Visit Huimanguillo, Tabasco in the morning (1 hr trip from Villahermosa). Return to Villahermosa for lunch. Continue in the afternoon for a visit to Rio Seco Coopertiva No. 13 in Cunduacán, Tabasco (45 minutes from Villahermosa, Tabasco).

The itinerary assumes that the buyers were interested in the samples of the 4 groups that were deemed more interested and capable to establish alliances.

Other possibilities to explore

- IPRC could follow up with Arroyo El Afiladero to determine their seriousness and interest in upgrading their plant with the Italian equipment (secadora solar, greenhouse), while researching if this constitutes the optimum option to ferment cacao in the region. If it is, IPRC could solicit a proposal from them to apply for a Rural Prosperity Fund grant, and assist them to leverage the grant with other sources of financing. Further, this upgrade could be done as part of a commercial alliance with an interested buyer. This would create a replicable model in the long run in the north of Chiapas region.
- The prospects of being able to sell under the Fair Trade label has generated some debate within the associations that are part of the Union and are pursuing this certification (Aldama, Amado Gomez, Comalcalco No. 1). The certifiers have expressed to them that they will need to sell directly to Fair Trade buyers. Until a transaction of this nature takes place, we will not know how this affects the relationship of the associations with the UNPC. However, the impact of Fair Trade could well be more independent, viable, and strengthened associations. If so, IPRC could encourage and assist associations interested in this certification.
- IPRC could follow up with initiatives such as Más Para El Campo (producing organic cacao-based chocolate) and investigate details about their purchases and determine the possibilities of these buyers paying premium prices for quality cacao. The impacts would probably be small (Mas para el Campo only uses 10 tons) but others may follow.
- An initiative of many national buyers has been making available risk reduction mechanisms, such as cacao hedges (“coberturas”), so that the producer could receive a “floor” price for its production. IPRC could explore the obstacles, benefits, and impacts of such a mechanism, and if deemed appropriate, assist in introducing these instruments as appropriate.

Conclusion

As revealed by the cacao sector analysis carried out by IPRC in early 2005, this sector represents attractive opportunities for significant positive impact but only by overcoming serious obstacles. The findings and analysis resulting from the investigation of this consultant ratify and extend these findings while describing in greater detail both the opportunities and difficulties facing IPRC. The difficulties are based largely on the position held by the Union of Cacao Producers, especially in Tabasco, the degraded state of cacao production in general, the threat of Moniliasis, and the rudimentary facilities and practices in post-harvest handling. However, many of these obstacles also represent real opportunities for IPRC assistance. The role of the Union is diminished in Chiapas creating an opening for diversification of marketing outlets and the establishment of product differentiation and price competition. Cultivation practices and post-harvest handling can be vastly improved by the introduction of simple techniques and low-cost equipment improvements. As the sweeping improvements in fermentation and drying facilities in Tabasco come on stream, more opportunities for product differentiation and quality-based pricing will be present. Leaders of the sector themselves recognize Moniliasis as an opportunity as well as a threat. It has forced authorities as well as farmers to reconsider lax fitosantiary practices and adopt cultivation techniques that have begun to improve quality and production yields. IPRC can make valuable contributions in all these areas and contribute to the on-going efforts to revive this important sector in Mexico.

ANNEX A: GROUPS DEEMED READY TO WORK WITH IPRC IN ESTABLISHING STRATEGIC ALLIANCES WITH BUYERS

Producer Group/Contacts	Members	Hectares/ Varieties	Annual Production (MT of Fermented Cacao)	Certifications
<p>Asociación Local de Productores de Cacao de Río Seco No. 13 Carretera Cárdenas-Comalcalco Km. 18 Pob. Tulipán, Cunduacán Tabasco 868680 Tel. (01 914) 10 3 00 28 y 10 3 00 20 asocriosecocund@prodigy.net.mx</p> <p>Manuel Pérez Córdova Presidente</p>	<p>800 (plus 500 contributors)</p>	<p>3,000; Trinitario</p>	<p>1,500 mt.</p>	<p>Transition to Organic</p>
<p>Asociación Agrícola Local de Productores de Cacao de Huimanguillo Av. Adelfo Cadena no. 69 Col. Pueblo Nuevo Huimanguillo, Tabasco, México Tel. 52-(917) 3 75 13 46 Cel. 52-(917) 1 01 67 92 alapch@hotmail.com</p> <p>MVZ Esteban Elías Avalos President</p>	<p>1,000 (plus 2000 contributors)</p>	<p>3,000; Trinitario</p>	<p>1,500 mt</p>	<p>EU Organic; Fair Trade in process</p>

<p>“Arroyo el Afiladero” SPR de RS Calle Zaragoza # 37 Centro, C.P. 29520 Pichucalco, Chiapas, México Tel/Fax: (932) 32 3 01 66 Arroyo_afiladero@hotmail.com Arrotiyo_afiladero@yahoo.com.mx</p> <p>Tito A. Jiménez Rodríguez President</p>	<p>6 family members</p>	<p>45; Criollo and Trinitario</p>	<p>8 to 30 tons</p>	<p>Transition to Organic</p>
<p>Granos Criollos De Sunuapa, SPR de RI Carretera Sunuapa-Pichucalco Km. 0.5 Sunuapa, Chiapas Cel. 52-993-311 46 06; 52 937 372 24 38 Eli_camás@hotmail.com</p> <p>Eli Camas Castellanos President</p>	<p>172</p>	<p>577.8; Trinitario</p>	<p>150-170 mt</p>	<p>EU Organic and US NOP</p>

ANNEX B: GROUPS IN CHIAPAS AND TABASCO

PRINCIPAL GROUPS IN THE NORTH OF CHIAPAS

MUNICIPIO	UBICACIÓN	ORGANIZACIÓN	REPRESENTANTE	NUM. DE SOCIOS	DOCUMENTACION QUE AMPARA A LA ORGANIZACIÓN	INFRAESTRUCTURA	TELEFONO Y/O CORREO ELECTRONICO
OSTUACAN	EJ. FLAN DE AYALA	S.P.R. DESARROLLO ECONOMICO	C. JOSE HERNÁNDEZ TORRES	46	ACTA CONSTITUTIVA	FERMENTADORA CON OFICINA ADMINISTRATIVA	(01 937)28 3 - 55 - 76
OSTUACAN	EJ. XOCHIMILCO VIEJO	S.P.R. GRANOS Y SEMILLA LA CASCADA	C. JESUS MARTINEZ CASANOVA	100	ACTA CONSTITUTIVA	FERMENTADORA CON OFICINA ADMINISTRATIVA	
OSTUACAN	EJ. XOCHIMILCO VIEJO	S.P.R. LA PROVINCIA	C. MIGUEL LOPEZ HERNANDEZ	77	ACTA CONSTITUTIVA	FERMENTADORA	(01932) 32 93379
OSTUACAN	RIB. LAGUNA ABAJO	S.P.R. LA VICTORIA DE OSTUACAN	C. HERADIO HERNÁNDEZ JIMENEZ	70	ACTA CONSTITUTIVA	FERMENTADORA CON OFICINA ADMINISTRATIVA	CASA(01 932) 32 32219 CEL. 801 932) 32 3 68 14
OSTUACAN	RIB. LAGUNA ABAJO	S.S.S. LA SELVA DEL GRANO DE ORO	C. JOAQUIN JIMENEZ VAZQUEZ	62	ACTA CONSTITUTIVA		
	CAB. MUNICIPAL	S.S.S. EL NUEVO PROGRESO	C. HOMERO ALEGRIA PENAGOS	81	ACTA CONSTITUTIVA	FERMENTADORA CON OFICINA ADMINISTRATIVA	
OSTUACAN	CAB. MUNICIPAL	S.S.S. PRODUCTORES ORGANICOS LA CASA DEL JAGUAR	C. HERMAN BALBOA CALZADA	29	ACTA CONSTITUTIVA		CASA (01932) 32 3 23 20
PICHUCALCO	RIA. CAMOAPITA 1RA. SECC.	S.S.S. AGROPECUARIO Y SERVICIOS COMUNITARIOS SAN ISIDRO	C. FRANCISCO ESCOBAR MONTALVO	66	ACTA CONSTITUTIVA	FERMENTADORA	

MUNICIPIO	UBICACIÓN	ORGANIZACIÓN	REPRESENTANTE	NUM. DE SOCIOS	DOCUMENTACION QUE AMPARA A LA ORGANIZACIÓN	INFRAESTRUCTURA	TELEFONO Y/O CORREO ELECTRONICO
PICHUCALCO	EJ. PLUTARCO E. CALLES	S.S.S. CACAOTEROS DE PLUTARCO	C. CLÉVER LOPEZ GOMEZ	27	ACTA CONSTITUTIVA		
PICHUCALCO	CAB. MUNICIPAL	S.P.R. JORGE CAMACHO VIDAL	C. JOSE INES PEREZ GOMEZ	219	ACTA CONSTITUTIVA	FERMENTADORA CON OFICINA ADMINISTRATIVA Y BODEGA	(01 932) 32 3- 0224
PICHUCALCO	RIA. MARIANO MATAMOROS 1RA. SECC.	S.P.R. ARROYO EL AFLADERO	C. TITO ADAN JIMÉNEZ RODRIGUEZ	6	ACTA CONSTITUTIVA PROTOCOLIZADA	FERMENTADORA CON OFICINA ADMINISTRATIVA	(01 932) 32 3-01-66
PICHUCALCO	ZARAGOZA NO. 37 COL. CENTRO, PICHUCALCO.	CAF ALIANZA	C. ABSALON ESCOBAR PEREZ	45	ACTA CONSTITUTIVA PROTOCOLIZADA		(01 392) 3 2 3 - 10 -35
PICHUCALCO	CARRT. PICHUCALCO TEAPA KM. 1	INTEGRADORA DE CACAO Y PRODUCTOS ECOLOGICOS DE LA ZONA NORTE DE CHIAPAS MEXICO S.A. DE	C. ABSALON ESCOBAR PEREZ	9	ACTA CONSTITUTIVA PROTOCOLIZADA	OFICINA ADMINISTRATIVA CON BODEGA	(01 392) 32 3 - 10 - 35 CEL. (01932) 32 3 30 97
PICHUCALCO	RIA. PLATANAR ABAJO 1RA. SECC.	LA CRIMEA DE S.P.R. DE R.I.	C. MIGUEL LOPEZ HERRERA	101	ACTA CONSTITUTIVA	OFICINA	milopez2359@hotmail.com 01-200-12-3-97-31 ó 32 ó 33
IXTACOMITAN	EJ. EMILIANO ZAPATA	S.S.S. LA FLOR DEL CACAO DE CHIAPAS	C. MOISÉS DE LA CRUZ LOPEZ	36	ACTA CONSTITUTIVA		
IXTACOMITAN	EJ. IXTACOMITAN	S.S.S. LA FLOR DEL CEYLAN	C. TERESA SURIAN CASTELLANOS	38	ACTA CONSTITUTIVA		

Organización/ Líder	Número De Prod.	Hectáreas de Cacao/ # de toneladas	Infraestructura
Al que a buen árbol de arrima, Buena sombra lo Cobija, SSS Rosario Pérez Avalos Zaragoza # 46, Villa Tecolutilla, Comalcalco, Tabasco	211	321 ha 176 T	Patios de Secado
El Palenque SSS Marcos Hernández Carret. Comalcalco a Sta. Ana Km. 21 Ranchería La Arena 2a. Sec. Comalcalco, Tabasco	21	43 ha. 23.6 T	Patios de Secado
Kolcobosch SSS de RI Santos de la Cruz Carret. Comalcalco a Tular Km. 32 Centro Tular 1a. Sección Comalcalco Entronque el Zapote CP 86630	182	300 ha 165 T	Fermentadoras, Samoas, Equipo para fabricar chocolate
La Flor de la Maíz de la Semilla Dorada, SSS Juan Ramos Jimenez Cerrada S/N Villa Aldama Comalcalco, Tabasco	71	103 ha 56.6 T	Patios de Secado
Tascob Kaj SPR de RL Cristóbal Izquierdo Alcocer Comalcalco, Tabasco	1,313	1,716 ha 943.8 T	Patios de Secado

Productores de Cacao Orgánico de Huimango, SPR de RL Angel Castaneda Cabrera Huimango 2a. Sección Cunduacán, Tabasco	180	200 ha 110 T	Patios de Secado; Planta en Construcción
Sistema de Proyectos Organizados en Comunidad, SCL Hilario Rodríguez Naranjo Teresa Vera 107 Col. Vicente Guerrero Comalcalco, Tabasco	97	207 ha 113 T	Fermentadora, Samoas
General Francisco Mújica Soc. Coop. Gregorio Bernardo Rodríguez Ranchería Santa Ana 2a. Sección S/N Cárdenas, Tabasco	27	113 ha 62.1 T	Fermentadora, Samoas
La Esperanza del C 11 Soc Coop Eleuterio Jimenez Perez Ejido C11 Jose Maria Morelos y Pavon Cárdenas, Tabasco	50	86 ha 47.3 T	Fermentadora, Samoas
El Grano de Oro SPR de RL Jesús Marín León R/A Plátano y Cacao 4a. Sección Municipio del Centro, Tabasco	117	426 ha 234 T	Fermentadora, Samoas
La Ardilla Soc Coop Zaragoza Broca Perez Pob. C-22 Municipio de Cárdenas, Tabasco	138	325 ha 178 T	Fermentadora, Samoas

ANNEX C: LIST OF INTERVIEWS AND CONTACTS

Heberto Arellano Ruiz

Asociación Local Agrícola de Productores de Cacao No. 32-“Benito Juárez”

Rachería Benito Juárez, 2a. Sección

Jalpa de Mendez, Tabasco

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